



U.S. Department of Justice

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For Immediate Release:

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EVENT: SENTENCING

DEFENDANT: Edna E. Paczas, 60, of South Carolina

**FORMER EMPLOYEE OF A STERLING HEIGHTS
COMPANY SENTENCED**

United States Attorney Stephen J. Murphy announced that a former Pleasant Ridge resident was sentenced yesterday in federal court in Detroit to 37 months on a conviction of mail fraud. Receiving the sentence from Chief United States District Judge Bernard A. Friedman was Edna Elaine Paczas, age 60, who currently resides in South Carolina.

Mr. Murphy stated that Ms. Paczas was charged with using a private interstate carrier to facilitate a fraud scheme in which, over a period of at least five years, she stole \$2,200,000 from her employer, Tarus Products, Inc. of Sterling Heights. Specifically, Ms. Paczas, exploiting her position as Tarus' controller, diverted corporate funds to acquire artwork, pay her personal credit card debt, purchase real estate, and otherwise utilize corporate funds for her own purposes. As one illustration of her fraud scheme, Paczas bought a \$38,500 Marc Chagall artwork by utilizing a private interstate carrier to transmit corporate funds to an art

dealer in San Francisco.

Prior to imposing sentence, Judge Friedman declined to find that Paczas' actions were excused by her attorney's representations that Paczas was afflicted by a bi-polar and other mental disorders.

Mr. Murphy commended the United States Postal Service for its investigation of this case which led to the successful prosecution of Ms. Paczas.